

## **Chapter 6: Housing**

### **Introduction**

Federal legislation declared, in the National Housing Act of 1949, that it is a national goal to attain "...a decent home and a suitable living environment for every American family." The difficulty lies in interpreting what constitutes a decent home and a suitable living environment. There are no easy answers to these questions and attempts to achieve this national goal at the local level have proven difficult.

There are a variety of aspects involved in planning for housing, including physical, economic, social, and environmental. Each of these are interrelated and planning for housing, in collaboration with the other elements of the Comprehensive Plan, attempts to mitigate negative impacts of the physical structure of housing on the economic, social and environmental conditions of the community.

### **Purpose**

The purpose of the housing section is to inventory and assess the existing housing stock and to formulate a set of goals and policies to ensure the adequate provision of housing for future populations. The city acknowledges that the private sector will continue to play the major role in providing an adequate supply of quality housing. However, the local government hopes to assist the private sector in meeting the challenges and demands of providing a suitable housing supply for existing and future populations.

The overall goals of the housing element are to:

- Encourage a variety of housing types (price, location, and structure considerations);
- Preserve the existing housing stock (rehabilitation, revitalization, and historic preservation considerations);
- Decrease negative environmental impacts of new housing construction; and
- Coordinate new housing construction with the Future Land Use map and sound growth management principles ensuring the availability of adequate utilities and facilities.

### **Organization**

The outline of this element follows the minimum planning standards set forth by DCA. The first section examines the housing types. The second section examines the age and condition of the existing housing stock. The third section looks at occupancy and tenure statistics for the existing housing stock. The fourth section analyzes the costs of both owner and renter occupied housing. The fifth section uses population forecasts to establish the future demand for housing, and the last section assesses the housing needs and formulates a set of goals and policies for future housing development.

### **Housing Types**

Table 1 analyzes the existing housing stock and includes historical data for comparison for the city and state. Over the past decade housing construction has occurred at an incredible rate in Hoschton. The majority of this expansion has been an increase in single-family residential construction.

The number of single-family homes increased by 96.1% from 1990 to 2000 and currently represents 75.2% of the total housing stock. The majority of new construction has occurred in the southwestern and eastern portions of the city. Hoschton data displays a reliance on single-family residential development that is typical of many metro suburban areas. However, this reliance is not as dominant as in other suburban markets. The city is much closer to

state averages in both single-family and multi-family units than other similarly sized municipalities in the region. This indicates that Hoschton does have a relatively high number of affordable rental units within its borders.

Currently multi-family housing represents 16.6% of the total housing stock, which has actually decreased since 1990 because of the rapid increase in single-family residential construction. However, the actual number of units has increased from 53 in 1990 to 67 in 2000. The number and percentage share of mobile homes has decreased significantly since 1990, and this trend projects to continue as the majority of new residential development is expected to be single-family units.

**Table 1**  
**Housing Units: Types and Trends**

Jurisdiction	1980		1990		2000		%Change 80-90	%Change 90-00
	Total	Percent	Total	Percent	Total	Percent		
<b>Hoschton</b>	<b>168</b>	<b>100%</b>	<b>251</b>	<b>100%</b>	<b>404</b>	<b>100%</b>	<b>44.3%</b>	<b>60.9%</b>
Single-Family	100	59.5	155	61.7	304	75.2	55.0	96.1
Multi-Family	43	25.6	53	21.1	67	16.6	23.3	26.4
Mobile Home	25	14.9	43	17.2	33	8.2	72.0	-23.3
<b>Georgia</b>	<b>2,012,640</b>	<b>100%</b>	<b>2,638,418</b>	<b>100%</b>	<b>3,281,737</b>	<b>100%</b>	<b>31.1%</b>	<b>24.4%</b>
Single-Family	1,525,070	75.8	1,712,259	64.9%	2,201,467	67.1	12.3	28.6
Multi-Family	334,622	16.6	598,271	22.7%	681,019	20.8	78.8	13.8
Mobile Home	152,948	7.6	327,888	12.4%	399,251	12.1	114.4	21.8

Source: U.S. Bureau of the Census; 1980, 1990, 2000

\*Total represents the total number of housing units reported during the identified census year.

\*Percent represents the percentage of total housing units for each housing category.

\*Percent Change reflects the increase in both total housing units, and each of the individual categories over the previous two decades.

Hoschton was among the top ten fastest growing communities in the region over the past decade. Its location within proximity to metro Atlanta employment opportunities, has led to its rapid expansion. The majority of the housing increase is attributed to single-family residential development, as urban residents moved outward to take advantage of the rural characteristics that Hoschton provides.

## **Age and Condition of Housing**

### **Age of Housing Stock**

Table 2 examines the age of the housing stock and compares it with state characteristics. The age of the housing stock is a general indicator of the maintenance costs that can be expected. Overall, Hoschton's housing stock is quite new. Over 45% of the stock has been built since 1990, and over 61% of those houses have been built since 1995.

**Table 2**  
**Age of Housing Stock**

Jurisdiction	99-00*		95-98		90-94		80-89		70-79		60-69		40-59		Pre-39	
	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%	No.	%
Hoschton	2	0.5	111	27.2	71	17.4	70	17.2	38	9.3	41	10.0	45	11.0	30	7.4
Georgia*	1306	4.0	4135	12.6	3708	11.3	7212	22.0	6089	18.6	4160	12.7	4274	13.0	1929	5.9

Source: U.S. Bureau of the Census; 2000

\*Column 99-00 reports on new construction from 1999 through to March of 2000.

\*Georgia data is reported in 000's.

\*No. refers to the total number of units constructed during that time period.

\*% refers to the percentage of total units represented by each time period.

The housing age data reflects the rapid population increase that Hoschton has experienced. Nearly one-third of the total housing units have been constructed since 1995, illustrating the youth of the housing stock. In addition, an estimated 130 single-family units have been constructed since 2000 illustrating the continuing trend of residential expansion. Hoschton does have a number of historic homes, most of which are clustered in, and around, the downtown district. This is illustrated in the relatively high percentage of homes built Pre-1939.

### Condition of Housing Stock

The only way to gauge the condition of the housing stock is through the use of federal standards that report on the number of homes built prior to 1939, the number that lack complete plumbing facilities, and the number that house more than one resident per room (anything greater than one is considered overcrowded by federal standards). Table 3 illustrates housing condition data for the city and compares them with state levels.

**Table 3**  
**Condition of Housing Stock**

Jurisdiction	Lack of Plumbing			Pre-1939			Overcrowded		
	80	90	00	80	90	00	80	90	00
Hoschton	13	3.9	0.0	52	18.5	7.4	NA	2.4	3.1
Georgia	2.0	8.0	0.5	15.0	8.0	5.9	NA	4.0	4.9

Source: U.S. Bureau of the Census; 1980, 1990, 2000

\*Data is reported as a percentage of the total housing stock for each category.

\*Lack of plumbing refers to all units lacking complete plumbing facilities.

\*Pre-1939 refers to housing units constructed prior to 1939.

\*Overcrowded refers to occupied housing units that have 1.01 or more occupants per room

Overall the housing condition throughout the city is adequate and well below state levels, except in the existence of Pre-1939 homes, which indicates a high concentration of historic structures.

The number of units lacking plumbing facilities has decreased to zero, as reflected by the dominance of newly constructed homes and the decrease in usage of houses built prior to 1939.

The percentage of overcrowded units actually increased between 1990 and 2000, which may indicate that larger families have begun to occupy some of the smaller multi-family units located in the city.

## Occupancy and Tenure of Housing

This section addresses the occupancy and tenure characteristics of housing units. Vacancy rates are an important variable for determining the adequacy of the existing housing stock. Vacant houses and apartments are necessary to provide a choice of location and price for housing consumers. A healthy vacancy rate is between, approximately, four and five percent and fluctuates according to the housing market. Too few vacant units may drive up prices and limit housing choices, while too many reduces the demand for new units, limiting available options. The tenure of a housing unit refers to whether or not it is occupied by its owner or a renter. Table 3 illustrates the occupancy and tenure characteristics for the housing stock and provides a state comparison.

The table reflects the increased single-family construction. The percentage of owner-occupied housing has increased to 70.9%, above the state average, and the ratio of owners to renters is also above the state level. In turn, the percentage of renter-occupied housing is lower than the state average but as previously mentioned, the differences between city and state levels is not as disparate as other jurisdictions in the region.

The overall vacancy rate is relatively low at 4.0%. The owner vacancy rate was well below the overall rate, at 0.4%, indicating that the demand for housing is keeping pace with new construction. The rental is much higher than the owner vacancy rate, at 3.4%, but both are much lower than the corresponding state averages and reflect significant decreases from 1990 rates.

The owner to renter ratio illustrates the overall trend of increased home ownership over the last decade. The trend has increased dramatically over the past ten years increasing from 1.4:1 in 1990 to a ratio of 2.4:1 in 2000. This indicates that for every renter-occupied unit, there are 2.4 owner-occupied units.

**Table 3**  
**Occupancy and Tenure of Housing**

	<b>Census Year</b>	<b>Hoschton</b>	<b>Georgia*</b>
Total Units	1980	174	20,126
	1990	251	26,384
	2000	404	32,817
Occupied Units	1980	168	18,717
	1990	228	23,666
	2000	388	30,064
Vacancy Rate (%)	1980	3.4	7.0
	1990	9.2	8.3
	2000	4.0	10.4
Owner-Occupied (%)	1980	74.4	60.4
	1990	58.8	58.2
	2000	70.9	67.5
Owner Vacancy Rate (%)	1980	NA	NA
	1990	2.9	2.5
	2000	0.4	1.9
Renter-Occupied (%)	1980	25.6	32.6
	1990	41.2	31.5
	2000	29.1	32.5

	<b>Census Year</b>	<b>Hoschton</b>	<b>Georgia*</b>
Renter Vacancy Rate (%)	1980	NA	NA
	1990	9.6	12.2
	2000	3.4	8.2
Owner: Renter Ratio	1980	2.9:1	1.9:1
	1990	1.4:1	1.9:1
	2000	2.4:1	2.1:1

Source: U.S. Bureau of the Census

\*Georgia Totals are reported in 000's.

\*All decimal values represent percentage totals.

\*1980 data is not available for owner and renter vacancy rates.

\*The Owner: Renter ratio is calculated by dividing the number of owner-occupied units by the number of renter-occupied units.

## Cost of Housing

There are many factors that contribute to the overall cost of housing including the price of land, construction costs, availability of financing options, and land regulation policies governing development and construction. All of these factors combine with the supply and demand of housing to determine its price. It is important that the price of housing within a jurisdiction is compatible with the earned income of its residents. Analyzing the cost structure of the housing market can help determine if there is an adequate supply of affordable housing options in the community.

Table 5 analyzes the median cost for both owner and renter occupied housing, and compares the values with state data. All dollar figures are converted to 2000 dollars for comparison.

**Table 5**  
**Cost of Housing**

	<b>Owner Median Value (\$)</b>			<b>Renter Median Value(\$)</b>			<b>Owner % Change 80-90</b>	<b>Renter % Change 80-90</b>	<b>Owner % Change 90-00</b>	<b>Renter % Change 90-00</b>
<b>Jurisdiction</b>	<b>80</b>	<b>90</b>	<b>00</b>	<b>80</b>	<b>90</b>	<b>00</b>				
Hoschton	54,126	80,369	153,100	403	551	513	48.5	36.7	90.5	-6.9
Georgia	48,275	93,939	111,200	320	453	613	94.6	41.6	18.4	35.3

Source: U.S. Bureau of the Census; 1990, 2000  
Calculations by NEGRDC

\*All dollar values are expressed in 2000 constant dollars to eliminate inflation from the comparison.

The median cost of housing in Hoschton has increased tremendously since 1990 and is now considerably higher than the state median value. This can be attributed to the demand for high-end, large, single-family housing created by the in-migration of population creating a demand for new construction.

The renter-occupied median rent is the state the state value, and actually decreased in real value since 1990. The majority of multi-family units are targeted for low-moderate-income tenants and there is currently no high-value condominium or town-home type of multi-family developments.

## Future Housing Demand

The forecast of future housing demand is based primarily on the expected population increase in Hoschton, the amount of available land designated for residential use, and the trends established in previous sections of this chapter, and elsewhere in the plan. Currently the majority of the housing inventory is single-family residences with a relatively high percentage of the housing stock in multi-family development.

The previous sections of this chapter have revealed the following trends:

1. The percentage of homeownership has increased over the past ten years and outpaces state rates.
2. The corresponding rate of renter-occupied housing has decreased.
3. Multi-family housing is targeted for low-moderate-income households.
4. The supply of multi-family housing adequately serves the city population.
5. The total percentage of mobile/manufactured homes is decreasing.
6. The overall condition of the housing stock is improving with the increase in new construction.
7. The cost of housing is increasing but residents are becoming wealthier on average.
8. The supply of residential designated land will run out by the year 2010.

The following forecasts are merely guidelines of what to expect if existing trends continue to hold true. To calculate the forecasts, the following assumptions were made:

1. Demand for housing shall keep pace with population increase.
2. The population will be able to afford housing.
3. The percentage rate of owner-occupied housing shall increase throughout the planning horizon due to the increase in single-family residential construction.
4. Average household size shall decrease throughout the planning horizon.
5. An average vacancy rate of 5% shall be maintained throughout the planning horizon.
6. The percentage share of mobile/manufactured homes shall decrease throughout the planning horizon reflecting the existing trends.
7. The majority of new construction will be in the form of single-family residential development, decreasing the percentage share of multi-family housing.
8. The city will have built out in 2010 and cannot accommodate any further residential development without annexation or major increases in development densities.

Table 6 illustrates the housing forecast throughout the planning horizon in five-year increments from 2000 through to 2025.

In 2000 the baseline data consisted of 75.2% single-family, 16.6% multi-family, and 8.2% mobile/manufactured homes. The owner and renter occupied rates are 70.9% and 29.1% respectively.

**Table 6**  
**Housing Demands**

Year	Total Units	New Units	Single-Family	New Units	Multi-Family	New Units	Mobile Home	New Units
2000	404	-	304	-	70	-	30	-
2005	562	158	462	158	70	0	30	0
2010	1,182	620	1,062	600	90	20	30	0
2015	1,182	0	1,062	0	90	0	30	0
2020	1,182	0	1,062	0	90	0	30	0
2023	1,182	0	1,062	0	90	0	30	0

Source: U.S. Bureau of the Census 2000  
Calculations by NEGRDC

The figures represent the total housing stock in Hoschton, including vacant units. Using the standard 5.0% vacancy rate for all units produces a total of 1,126 total households.

Using the baseline assumption that owner-occupied percentage rates shall increase due to the increase in single-family residential construction derives an owner-occupied total of 1,033 units and a renter-occupied total of 133 units in 2010, and beyond. The increases in multi-family housing relate to the increase in apartment units in the revitalized downtown in the form of loft apartments and above business residential uses.

## **Needs, Goals, and Local Assessment**

### **Housing Choice Assessment**

In order to meet the diverse needs of the population a variety of housing options need to be available. As Table 1 indicated, the majority of housing units are single-family (75.2%) and the percentage total they represent is increasing.

This trend is merely a reflection of the composition of the existing population. The demographics of households indicate that the majority are traditional, married couple types (64.2% of households) who tend to be the primary occupants of single-family residential units. Over the past decade the proportion of family to non-family households has remained relatively constant, with family households decreasing from 79.4% in 1990 to 78.6% in 2000. Despite the decrease in percentage the number of family households increased by over 68% from 181 in 1990 to 305 in 2000.

The existing housing stock seemingly matches the composition of the population. However, as the population continues to expand, economic development initiatives look to match that expansion through increased commercial and industrial activity. Increases in the retail and service industries are generally correlated with population expansion and they also support the majority of the low-wage employment opportunities. As the labor force increases in the low-wage sectors a need for affordable housing options arises and is generally met by multi-family housing. Currently the majority of multi-family housing is targeted for low-to-moderate income tenants and is generally considered to adequately meet the city's current needs. However, the lack of affordable multi-family housing options elsewhere in the surrounding area may create an unnecessary burden on Hoschton to provide the affordable housing for regional residents.

### **Housing Condition Assessment**

Overall the condition of the housing stock is adequate due to the very recent construction of the housing stock. Over 27% of housing has been constructed since 1995 and the demand for new housing is projected to remain constant throughout the planning horizon. There are no significant issues relating to overcrowding, or lack of adequate plumbing within the existing stock, with no major increases in either category anticipated.

The only foreseeable problems may occur if Hoschton begins to house a disproportionate share of low-to-moderate income priced multi-family development. This could lead to further increases in the overcrowding statistics as families within that demographic seek affordable rental options and are willing to live in smaller units.

### **Housing Affordability**

The definition of affordable housing is one of the most difficult to relay because of the negative stigma attached to the term. Affordable housing relates to the supply of housing available for the residents of the jurisdiction, whether they are highly educated professionals, minimum wage retail employees, or retired senior citizens.

Assessing affordability is a measure of the housing cost burden that is placed on households. More specifically, federal standards consider a household to be cost-burdened if it pays more than 30% of its gross income on housing.

Table 7 illustrates the percentages of households that are considered cost burdened by their household expense for both owner and renter-occupied units. The data indicates the percentage of total households that spend greater than 30% of their gross income on housing expenses.

**Table 7**  
**Percentage of Cost-Burdened Households**

	<b>Owner-Occupied</b>		<b>Renter-Occupied</b>	
<b>Jurisdiction</b>	<b>1990</b>	<b>2000</b>	<b>1990</b>	<b>2000</b>
Hoschton	22.6%	20.5%	36.1%	40.4%
Georgia	19.3%	21.0%	37.0%	35.4%

Source: U.S. Bureau of the Census; 1990, 2000

Overall the city is comparable to state averages in both categories but the high percentage of cost burdened renters reflects a statewide concern. The higher percentages of cost-burdened households in the renter-occupied category are an indication that the city's low-to-moderate income population largely occupies them. The percentage of cost-burdened owner-occupied households decreased between census years and is now below state rates. This can be attributed to the increase in affluence of the local population since the 1990 census due to the in-migration of a highly educated, professional workforce (as discussed in Chapter 2). Although the costs of housing have increased tremendously it would appear that the majority of owner-occupied households are able to afford the increased costs.

To determine whether or not the housing stock is affordable to the population, increases in income levels must be analyzed. Increases in housing costs must correlate to increases in income to ensure that there are affordable housing options available to the entire population.

The median cost of housing in Hoschton increased to \$153,100 in 2000. Using a generally accepted lending standard that a household can qualify to purchase a home valued at 2.5 times its annual income, households in Hoschton must earn \$61,240 per year to afford a median priced home. The median income is reported as \$57,917. This illustrates that the median housing costs are slightly above the median household accounting for the 20.5% of households experiencing a financial burden.

The increase in contract rent between census years was below the state average. However, this does not necessarily mean that rental housing is affordable to all who need it. As previously mentioned, this is a problem statewide and it is becoming increasingly difficult for lower wage employees (typically retail workers) to find adequate, affordable housing. Many of these types of jobs are paying minimum (\$5.15/hour) or comparable wages. In order to afford the median contract rent without becoming cost burdened an employee must earn \$9.62/hour. Since the majority of rental units are single occupant households, or single earner families, this represents the only source of income. The average weekly wage for retail employees in Jackson County (as reported in Chapter 3) was \$309, which equates to \$7.73/hour, well below the rate required to afford median priced rental housing.

The high percentage of renter-occupied cost burdened households may be more a function of the lack of regional, affordable rental housing in the area. This draws residents to Hoschton to take advantage of the lower rental rates and the availability of adequate, affordable rental housing raising the percentages of renter-occupied cost burdened households.

Table 8 illustrates the compatibility between owner-occupied housing values and household income levels.



**Table 8**  
**Housing: Population Compatibility Owner Occupied**

<b>Housing Units in Range (%)</b>	<b>Housing Value Range (\$)</b>	<b>Households Able to Afford Housing Units (%)</b>
6.3	< 50,000	17.7
30.4	50,000-99,999	17.7
12.5	100,000-149,999	14.5
15.8	150,000-199,999	21.9
32.9	200,000-299,999	13.2
2.1	300,000-499,999	11.6
0.0	500,000+	3.4

Source: U.S. Bureau of the Census; NEGRDC Calculations

Table 8 illustrates how well the existing owner-occupied housing stock serves the existing population. Overall the price of housing is compatible with the earning levels of the population, which has led to the lower percentages of owner-occupied cost burdened households. The largest discrepancies are at the two extremes of the housing value range. At the low end there are very few units available with a relatively high corresponding population. This may indicate that the majority of this population occupies rental housing. At the high end there are very few units available above \$300,000 indicating those that are able to afford that type of housing are living below their means and occupying homes in the \$200,000-\$299,999 range.

The percentage of renter-occupied cost burdened households is a much greater problem than owner-occupied and exceeds state rates. The majority of this problem stems from the lack of affordable housing options for the lower income households. Overall, the city has an adequate supply to meet the moderate-income households but has a deficit in rental units priced to meet the lowest income level's demand. According to 2000 census figures there are only six rental units that are priced between the ranges of \$200 and \$299, while there are 45 households that require units within that price range according to their household income levels.

This is an issue that is not easily solved because of the private sector's major influence on housing supplies. However, it is a situation that requires monitoring at the local level because of the large influence housing availability has on economic development. Without a strong supply of affordable, adequate housing units the town cannot fully house the projected workforce and may struggle attracting new commercial and industrial employers.

## **Needs, Goals, and Policies**

**Goal:** Promote the provision of safe, sanitary, and affordable housing to all residents and support the preservation of the environment and historic buildings through sound development practices that minimize the negative impacts of housing construction.

**Need:** Promote the availability of housing options throughout the city for residents of all income levels.

**Policy:** Encourage the renovation of substandard housing and vacant units for use as affordable housing and identify opportunities for residential development within the downtown district.

**Policy:** Encourage the inclusion of locally compatible and affordable options within new developments decreasing the segregation of housing types.

**Need:** Minimize negative environmental impacts associated with increased residential development.

**Policy:** Coordinate future housing development with supporting infrastructure such as roads, schools, emergency services, water and sewer.

**Policy:** Encourage infill and re-development wherever suitable to maximize the use of undeveloped land and to take advantage of existing infrastructure.

Policy: Preserve, conserve and enhance historic structures and sites wherever possible.

Policy: Prohibit residential development in environmentally sensitive areas.

Policy: Improve quality of residential development.

Need: Utilize the Future Land Use map to determine suitable locations for residential development.

Policy: Avoid scattered development patterns maximizing the efficient use of available land.

Policy: Focus residential growth in appropriate locations as determined on the future land use map.

Policy: Regulate densities within designated areas to ensure adequate availability of land to support the projected development increases.